

TC TALUS

*FINANCIAL STATEMENTS*

*FOR THE YEAR ENDED SEPTEMBER 30, 2004*

# Auditing Procedures Report

Issued under P.A. 2 of 1968, as amended.

Local Government Type <input type="checkbox"/> City <input type="checkbox"/> Township <input type="checkbox"/> Village <input checked="" type="checkbox"/> Other		Local Government Name <b>Traverse City TALUS</b>	County <b>Grand Traverse</b>
Audit Date <b>9/30/04</b>	Opinion Date <b>12/30/04</b>	Date Accountant Report Submitted to State: <b>1/27/05</b>	

We have audited the financial statements of this local unit of government and rendered an opinion on financial statements prepared in accordance with the Statements of the Governmental Accounting Standards Board (GASB) and the *Uniform Reporting Format for Financial Statements for Counties and Local Units of Government in Michigan* by the Michigan Department of Treasury.

We affirm that:

1. We have complied with the *Bulletin for the Audits of Local Units of Government in Michigan* as revised.
2. We are certified public accountants registered to practice in Michigan.

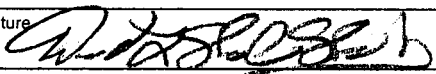
We further affirm the following. "Yes" responses have been disclosed in the financial statements, including the notes, and the report of comments and recommendations

You must check the applicable box for each item below.

- ☐ Yes ☒ No 1. Certain component units/funds/agencies of the local unit are excluded from the financial statements.
- ☐ Yes ☒ No 2. There are accumulated deficits in one or more of this unit's unreserved fund balances/retained earnings (P.A. 275 of 1980).
- ☐ Yes ☒ No 3. There are instances of non-compliance with the Uniform Accounting and Budgeting Act (P.A. 2 of 1968, as amended).
- ☐ Yes ☒ No 4. The local unit has violated the conditions of either an order issued under the Municipal Finance Act or its requirements, or an order issued under the Emergency Municipal Loan Act.
- ☐ Yes ☒ No 5. The local unit holds deposits/investments which do not comply with statutory requirements. (P.A. 20 of 1943, as amended [MCL 129.91], or P.A. 55 of 1982, as amended [MCL 38.1132]).
- ☐ Yes ☒ No 6. The local unit has been delinquent in distributing tax revenues that were collected for another taxing unit.
- ☐ Yes ☒ No 7. The local unit has violated the Constitutional requirement (Article 9, Section 24) to fund current year earned pension benefits (normal costs) in the current year. If the plan is more than 100% funded and the overfunding credits are more than the normal cost requirement, no contributions are due (paid during the year).
- ☐ Yes ☒ No 8. The local unit uses credit cards and has not adopted an applicable policy as required by P.A. 266 of 1995 (MCL 129.241).
- ☐ Yes ☒ No 9. The local unit has not adopted an investment policy as required by P.A. 196 of 1997 (MCL 129.95).

**We have enclosed the following:**

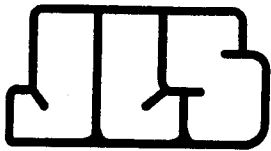
	Enclosed	To Be Forwarded	Not Required
The letter of comments and recommendations.			✓
Reports on individual federal financial assistance programs (program audits).			✓
Single Audit Reports (ASLGU).			✓

Certified Public Accountant (Firm Name) <b>J L Stephan Co, PC</b>			
Street Address <b>862 E. Eighth St.</b>	City <b>Traverse City</b>	State <b>MI</b>	ZIP <b>49686</b>
Accountant Signature 		Date <b>1/27/05</b>	

## Table of Contents

---

	<u>Page</u>
<b>FINANCIAL SECTION</b>	
<u>Independent Auditor's Report</u>	1
<u>Financial Statements</u>	
Government Wide Statement of Net Assets	2
Government Wide Statement of Activities	3
Governmental Fund Balance Sheet	4
Governmental Fund Statement of Revenue, Expenditures And Changes in Fund Balance	5
<u>Notes to the Financial Statements</u>	6-9
<b>SUPPLEMENTAL DATA SECTION</b>	
Budgetary Comparison Schedule – General Fund	10
<b>ADDITIONAL INFORMATION</b>	
Combining Balance Sheets – Non-Major Governmental Funds	11
Combining Statement of Revenue, Expenditures and Changes in Fund Balance – Non-Major Governmental Funds	12



# J L Stephan Co PC

Certified Public Accountants

Jerry L. Stephan, CPA

Marty Szasz, CPA  
David Skibowski, Jr., CPA

## INDEPENDENT AUDITOR'S REPORT

TC TALUS  
400 Boardman Ave  
Traverse City, MI 49684

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of TC TALUS as of and for the year ended September 30, 2004 which collectively comprise the organization's basic financial statements as listed in the table of contents. These financial statements are the responsibility of TC TALUS. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. These standards require that we plan and perform the audit to provide reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

The Management Discussion and Analysis (MD&A) is a required element of the GASB 34 reporting format. TC TALUS has elected not to include it as part the financial statements.

In our opinion, except for the exclusion of the MD&A discussed above, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities, each major fund, and the aggregate remaining fund information of TC TALUS as of September 30, 2004 and the changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note 1, the organization has implemented a new financial reporting model, as required by the provisions of GASB Statement No. 34, *Basic financial Statements – and Management's Discussion and Analysis – for State and Local Governments* as of September 30, 2004.

The budgetary comparison information on page 10 is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consist principally of inquires of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements of TC TALUS. The combining non-major fund financial statements are presented for the purpose of additional analysis and are not a required part of the basic financial statements. The combining non-major fund financial statements have been subjected to the auditing procedures applied in the audit of the basic financial statements and , in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

*J L Stephan Co PC*

December 30, 2004

FINANCIAL SECTION

**TC TALUS**  
*Government Wide*  
*Statement of Net Assets*  
*September 30, 2004*

	<i>Governmental Activities</i>
<b>Assets</b>	
Cash in Bank	\$ 62,479
Accounts Receivable - MDOT	4,530
Accounts Receivable - FHWA	39,505
Capital Assets - net	<u>784</u>
<i>Total Assets</i>	<u>107,298</u>
 <b>Liabilities</b>	
<i>Liabilities</i>	
Accounts Payable	28,459
Deferred Revenue	<u>-</u>
<i>Total Liabilities</i>	<u>28,459</u>
 <b>Net Assets</b>	
Investment in Capital Assets	784
Restricted	-
Unrestricted	<u>78,055</u>
<i>Total Net Assets</i>	<u><u>\$ 78,839</u></u>

*The Notes to Financial Statements are an integral part of this statement*

**TC TALUS**  
*Government Wide*  
*Statement of Activities*  
*For the Year Ended September 30, 2004*

Functions/Programs	Expenses	Charges for Services	Program Revenues		Net (Expense) Revenue & Changes in Net Assets
			Operating Grant & Contributions	Capital Grants & Contributions	
General Government	\$ -	\$ -	\$ -	\$ -	\$ -
Public Safety	-	-	-	-	-
Public Works	-	-	-	-	-
Health and Welfare	138,052	-	130,747	-	(7,305)
Community & Economic Development	-	-	-	-	-
Recreation & Culture	-	-	-	-	-
Interest on Long-Term Debt	-	-	-	-	-
<i>Total Governmental Activities</i>	<u>\$ 138,052</u>	<u>\$ -</u>	<u>\$ 130,747</u>	<u>\$ -</u>	<u>(7,305)</u>
<i>General Revenues</i>					
Property Taxes					-
State Shared Revenue					-
Miscellaneous					237
Net Transfers In (Out)					-
<i>Total General Revenues and Transfers</i>					<u>237</u>
<i>Change in Net Assets</i>					(7,068)
Net Assets - Beginning					<u>85,907</u>
Net Assets - Ending					<u>\$ 78,839</u>

*The Notes to Financial Statements are an integral part of this statement*

**TC TALUS**  
*Governmental Fund*  
*Balance Sheet*  
September 30, 2004

	<i>General Fund</i>	<i>Non-Major Governmental Funds</i>	<i>Total</i>
<b>Assets</b>			
Cash in Bank	\$ 48,063	\$ 14,416	\$ 62,479
Accounts Receivable - MDOT	4,530	-	4,530
Accounts Receivable - FHWA	39,505	-	39,505
<i>Total Assets</i>	<u>\$ 92,098</u>	<u>\$ 14,416</u>	<u>\$ 106,514</u>
<b>Liabilities and Fund Balances</b>			
<i>Liabilities</i>			
Accounts Payable	\$ 28,459	\$ -	\$ 28,459
Deferred Revenue	-	-	-
<i>Total Liabilities</i>	<u>28,459</u>	<u>-</u>	<u>28,459</u>
<i>Fund Balances</i>			
Fund Balance	<u>63,639</u>	<u>14,416</u>	<u>78,055</u>
<i>Total Fund Balances</i>	<u>63,639</u>	<u>14,416</u>	<u>78,055</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$ 92,098</u>	<u>\$ 14,416</u>	<u>\$ 106,514</u>
<b>Total Fund Balance - All Governmental Funds</b>			\$ 78,055
<i>Amounts reported for governmental activities in the statement of net assets are different because:</i>			
Capital Assets of \$3,761 net of accumulated depreciation of (\$2,977) are not financial resources and are not reported in the funds			<u>784</u>
<i>Net Assets of Governmental Activities</i>			<u>\$ 78,839</u>

*The Notes to Financial Statements are an integral part of this statement*

**TC TALUS**  
*Governmental Fund*  
*Statement of Revenue, Expenditures and*  
*Changes in Fund Balance*  
*For the Year Ended September 30, 2004*

	<i>General Fund</i>	<i>Non-Major Governmental Funds</i>	<i>Total Governmental Funds</i>
<i>Revenues</i>			
State Grants	\$ 64,497	\$ -	\$ 64,497
Local Units Contributions	66,250	-	66,250
Interest Earned	199	38	237
<i>Total Revenue</i>	<u>130,946</u>	<u>38</u>	<u>130,984</u>
<i>Expenditures</i>			
General Government	-	-	-
Public Safety	-	-	-
Public Works	-	-	-
Health & Welfare	137,259	41	137,300
Recreation & Culture	-	-	-
Other	-	-	-
Capital Outlay	-	-	-
Debt Service	-	-	-
<i>Total Expenditures</i>	<u>137,259</u>	<u>41</u>	<u>137,300</u>
<i>Excess Revenues Over (Under)</i>			
<i>Expenditures</i>	(6,313)	(3)	(6,316)
<i>Other Financing Sources (Uses)</i>			
Operating Transfer In	-	-	-
Operating Transfer (Out)	-	-	-
<i>Total Other Financing Sources (Uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess Revenues and Other Sources Over</i>			
<i>(Under) Expenditures and Other Uses</i>	(6,313)	(3)	(6,316)
 Fund Balance - Beginning of Year	 <u>69,952</u>	 <u>14,419</u>	 <u>84,371</u>
 Fund Balance - End of Year	 <u><u>\$ 63,639</u></u>	 <u><u>\$ 14,416</u></u>	 <u><u>\$ 78,055</u></u>
 <i>Amounts reported for governmental activities in the statement of activities are different because:</i>			
 Net Change in Fund Balances - Total Governmental Funds			 \$ (6,316)
 Governmental Funds report capital outlays as expenditures; in the statement of activities, these costs are allocated over their estimated useful lives as depreciation.			 <u>(752)</u>
 Change in Net Assets of Governmental Activities			 <u><u>\$ (7,068)</u></u>

*The Notes to Financial Statements are an integral part of this statement*

**TC TALUS**  
*Note to Financial Statements*  
*September 30, 2004*

---

**Note 1 - Summary of Significant Accounting Policies**

The financial statements of TC TALUS (Traverse City Area Transportation and Land Use Study) have been prepared in conformity with the modified accrual basis of accounting as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of TC TALUS's accounting policies are described below.

Effective July 1, 2003, TC TALUS adopted GASB Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*. Certain of the significant changes in these statements include the following:

- Depreciation of capital assets owned by TC TALUS.
- Financial statements using the modified accrual basis of accounting for all TC TALUS's activities as adjusted for capital assets and depreciation.

**A. Reporting Entity**

TC TALUS is an Inter-municipality Committee established under Act 200 of 1957 of the Public Acts of Michigan. TC Talus was established to provide coordinated leadership and direction for the development and conduct of a continuing, cooperative, and comprehensive transportation planning process for the purposes of complying with the intent of the applicable sections of the Federal Highway Act of 1964, as amended. TC TALUS is governed by a board of directors primarily designated by each of the member units.

The criteria established by Statement 14 of the Governmental Accounting Standards Board for determining the various governmental organizations to be included in the reporting entity's financial statements are based primarily on the concept of financial accountability.

TC TALUS operates as an autonomous agency completely separate from Grand Traverse County or any of the other member units, and is not financially accountable to any other unit. On this basis, accordingly, the financial statements of TC TALUS will not be included in the financial statements of any other organizations.

**B. Government Wide and Fund Financial Statements**

The government-wide financial statements (i.e., the statement of net assets and the statement of changes in net assets) report information on all of the non-fiduciary activities of the primary government. Governmental activities, normally supported by taxes and intergovernmental revenues, are reported separately from business-type activities which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: (1) changes to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment; and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenue.

**TC TALUS**  
*Note to Financial Statements*  
*September 30, 2004*

---

***Note 1 - Summary of Significant Accounting Policies - continued***

***C. Measurement Focus, Basis of Accounting and Financial Statement Presentation***

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenue is recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

All governmental funds utilize the modified accrual basis of accounting. Under this method, revenues are recognized when received in cash except for those susceptible to accrual, which are recorded as receivables when measurable and as revenue when available to finance current operations. Significant revenues susceptible to accrual include expenditure reimbursement type grants, certain intergovernmental revenues and operating transfers. Expenditures are recorded when they are incurred except for interest on long-term debt, which is recorded when paid.

The fund financial statements report information on all of the non-fiduciary activities of the local unit. Each Fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, reserves, fund equity, revenues and expenditures.

The local unit reports the following major governmental fund:

***General Fund*** - This fund is used to account for all financial transactions not accounted for in another fund, including the general operating expenditures of the local unit. Revenues are derived primarily from state distributions and other intergovernmental revenues.

The local unit reports the following non-major governmental fund:

***Special Revenue Funds*** - This fund type is used to account for specific governmental revenues requiring separate accounting because of legal or regulatory provisions or administrative action. The two special revenue funds currently maintained by TC Talus are the Railroad Environmental Assessment Fund and the M-72 East Corridor Study Fund.

***D. Assets, Liabilities, and Net Assets or Equity***

The following is a summary of the local unit's assets, liabilities, and net assets or equity:

***Bank Deposits and Investments*** - Cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with a maturity of 90 days or less.

***Capital/Fixed Assets*** - Capital assets represent the fixed assets of the local unit utilized in its general operations (non-proprietary fixed assets).

Fixed assets are recorded at historical cost. Donated fixed assets are required to be valued at the fair market value as of the date received.

**TC TALUS**  
*Note to Financial Statements*  
*September 30, 2004*

---

**Note 1 - Summary of Significant Accounting Policies - continued**

In accordance with GASB 34, depreciation has been provided on the fixed assets. Depreciation is computed over the estimated useful lives of the asset. Estimated useful lives are generally five years for equipment.

*Fund Equity* – In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

**Note 2 – Stewardship, Compliance and Accountability**

**A. Budgets**

The General Fund and Special Revenue Fund are under formal budgetary control. Budgets shown in the financial statements for these funds were prepared on a basis not significantly different from the modified accrual basis used to reflect actual results and consist only of those amounts contained in the formal budget approved and amended by the unit.

In the body of the combined financial statements, the unit's actual expenditures and budgeted expenditures for the budgetary funds have been shown on an activity basis. The approved budgets of the unit for these budgetary funds were also adopted at the activity level.

Encumbrance accounting is not used and appropriations normally lapse at year-end.

**B. Budget Compliance**

P.A. 621 of 1978, Section 18 (1), as amended, provides that a local unit shall not incur expenditures in excess of the amount appropriated. During the year ended September 30, 2004, TC TALUS did not incur expenditures in excess of amounts budgeted after amendments.

**Note 4 – Deposits with Financial Institutions**

**A. Legal or Contractual Provisions for Deposits and Investments**

The Michigan Political Subdivisions Act No. 20, Public Acts of 1943, as amended by act No. 217, Public Acts of 1982 and Public Act 196 of 1997, states local units, by resolution, may authorize the Treasurer to invest surplus funds as follows:

- a. In bonds and other direct obligations of the United State or an agency or instrumentality of the United States.
- b. In certificates of deposit, savings accounts, deposit accounts, or depository receipts of a financial institution, but only if the financial institution complies with Subsection (2).
- c. In commercial paper rated at the time of purchase within the 2 highest classifications established by not less than 2 standard rating services and which matures not more than 270 days after the date of purchase.

**TC TALUS**  
*Note to Financial Statements*  
September 30, 2004

**Note 4 – Deposits with Financial Institutions - continued**

- d. In United States government or federal agency obligation repurchase agreements.
- e. In banker's acceptances of United States banks.
- f. In mutual funds composed of investment vehicles that are legal for direct investment by local units of government in Michigan.

**B. Types of Deposits and Investments**

TC TALUS maintains all its surplus funds with a local bank in the form of a savings/checking account. Interpreting the FDIC insurance coverage of \$100,000 per deposit to apply to the total savings/time deposits separately from checking/demand deposits for purposes of applying the \$100,000 limit, the bank balances as of September 30, 2004 appear to be fully insured.

**Note 5 - Changes in General Fixed Assets**

	Beginning Balance	Additions	Deletions	Ending Balance
Equipment				
Computer	\$ 1,961	\$ -	\$ -	\$ 1,961
Traffic Counter	<u>1,800</u>	<u>-</u>	<u>-</u>	<u>1,800</u>
Subtotal	3,761	-	-	3,761
Less: Depreciation	<u>2,225</u>	<u>752</u>	<u>-</u>	<u>2,977</u>
Total	<u>\$ 1,536</u>	<u>\$ 752</u>	<u>\$ -</u>	<u>\$ 784</u>

**Note 6 - Risk Management**

TC Talus employees are insured through the Grand Traverse County Road Commission's insurance policy for errors and omissions, liability, and wrongful acts, worker's compensation, and property damage coverage. It does not appear that board members or the entity itself are covered under the Grand Traverse County Road Commission's insurance policy. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

**Note 7 - Lease**

On January 3, 1995 TC Talus entered into a lease agreement with Grand Traverse County for the rental of its office facilities at \$132.38 per month. The lease is renewable annually each year. Thirty days prior to expiration of the lease, TC Talus needs to notify Grand Traverse County of its intent not to renew the lease. If TC Talus does not provide the notice, the lease shall be extended for another year at the adjusted rental rate. The annual rent shall be adjusted by multiplying the percentage increase or decrease of the preceding Detroit June Consumer Price Index to the previous year's rental rate.

SUPPLEMENTAL DATA

**TC TALUS**  
*Budgetary Comparison Schedule*  
*General Fund*  
*For the Year Ended September 30, 2004*

	<i>Original Budget</i>	<i>Revised Budget</i>	<i>Actual</i>	<i>Favorable (Unfavorable)</i>
<i>Revenues</i>				
State Grants	\$ 138,875	\$ 138,875	\$ 64,497	\$ (74,378)
Local Units Contributions	66,250	66,250	66,250	-
Interest Earned	-	-	199	199
	205,125	205,125	130,946	(74,179)
<i>Expenditures</i>				
Administration	21,500	21,700	21,560	140
Public Information	14,100	16,100	15,973	127
Traffic Counts	3,000	1,000	927	73
Traffic Models	9,500	8,900	8,808	92
Master Planning	30,150	32,650	32,378	272
TCSP	108,875	108,875	42,139	66,736
Boardman River Project	2,000	-	-	-
Rail Rationalization	2,000	-	-	-
Audit/Accounting	5,000	4,700	4,420	280
Indirect Charges	9,000	11,200	11,054	146
	205,125	205,125	137,259	67,866
<i>Other Financing Sources (Uses)</i>				
Operating Transfers In	-	-	-	-
Operating Transfers (Out)	-	-	-	-
<i>Total Other Financing Sources (Uses)</i>	-	-	-	-
<i>Excess Revenues Over (Under) Expenditures</i>	<u>\$ -</u>	<u>\$ -</u>	(6,313)	<u>\$ (6,313)</u>
Fund Balance - Beginning of Year			69,952	
Fund Balance - End of Year			<u>\$ 63,639</u>	

ADDTITIONAL INFORMATION

**TC TALUS**  
Combining Balance Sheet  
Non-Major Governmental Funds  
September 30, 2004

	Special Revenue Funds		
	<i>Railroad Environmental Assessment Fund</i>	<i>M-72 East Corridor Study Fund</i>	<i>Total</i>
<b>Assets</b>			
Cash	\$ 12,866	\$ 1,550	\$ 14,416
Accounts Receivable - MDOT	-	-	-
Accounts Receivable - Local	-	-	-
Due from Other Funds	-	-	-
<b>Total Assets</b>	<u>\$ 12,866</u>	<u>\$ 1,550</u>	<u>\$ 14,416</u>
<b>Liabilities and Fund Equity</b>			
Accounts Payable	\$ -	\$ -	\$ -
Fund Balance	12,866	1,550	14,416
<b>Total Liabilities and Fund Equity</b>	<u>\$ 12,866</u>	<u>\$ 1,550</u>	<u>\$ 14,416</u>

*The Notes to Financial Statements are an integral part of this statement*

# TC TALUS

## Combining Statement of Revenues, Expenditures and Changes in Fund Balance Non-Major Governmental Funds For the Year Ended September 30, 2004

	Special Revenue Funds		
	Railroad Environmental Assessment Fund	M-72 East Corridor Study Fund	Total
<i>Revenues</i>			
State Grants	\$ -	\$ -	\$ -
Local Contributions	-	-	-
Interest	37	1	38
Other Revenues	-	-	-
	37	1	38
<i>Expenditures</i>			
Consulting Services	-	-	-
Supplies	-	-	-
Printing	-	-	-
Equipment Rental	-	-	-
Miscellaneous	41	-	41
<i>Total Expenditures</i>	41	-	41
<i>Excess Revenues (Expenditures)</i>	(4)	1	(3)
<i>Other Financing Sources (Uses)</i>			
Operating Transfers In	-	-	-
Operating Transfers (Out)	-	-	-
<i>Total Other Financing Sources (Uses)</i>	-	-	-
<i>Excess Revenues (Expenditures) and Other Sources (Uses)</i>	(4)	1	(3)
Fund Balance - Beginning of Year	12,870	1,549	14,419
Fund Balance - End of Year	<u>\$ 12,866</u>	<u>\$ 1,550</u>	<u>\$ 14,416</u>

The Notes to Financial Statements are an integral part of this statement